

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K STREET, NW, SUITE 300

WASHINGTON, DC 20007-5116

TELEPHONE (202) 424-7500

FACSIMILE (202) 424-7645

KATHLEEN L. GREENAN

ASSOCIATE

DIRECT DIAL (202) 945-6922

KLGREENAN@SWIDLAW.COM

NEW YORK OFFICE

405 LEXINGTON AVENUE

NEW YORK, NY 10174

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EXECUTIVE SECRETARY

VIA ELECTRONIC MAIL
& OVERNIGHT MAIL

ORIGINAL

Mr. Darrell Whitis
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Application of CTSI, Inc.; Dkt. No. 99-00918

Dear Mr. Whitis:

On behalf of CTSI, Inc. ("CTSI"), the undersigned counsel respectfully provides responses to Staff information requests dated January 28, 2000. Due to the confidential nature of responses 1 and 2, CTSI respectfully requests confidential treatment and, therefore, provides responses 1 and 2 via overnight delivery in a sealed envelope. If confidential treatment cannot be provided to these documents, we respectfully request that the sealed envelope not be opened and be returned to the undersigned counsel.

Concurrent with this submission, CTSI is filing with the Tennessee Regulatory Authority ("Authority") a Motion for Protective Order. CTSI believes that a protective order will expedite the flow of discovery material and ensure that protection is afforded to confidential material. CTSI respectfully requests that the responses designated as "Confidential" in the above-reference docket be protected under any protective order that the Authority may see fit to grant.

If you have any questions or require additional information, please do not hesitate to contact me. Thank you for your time and patience in this matter.

Sincerely,



Kathleen L. Greenan

cc: Mr. Mark DeFalco, CTSI, Inc.

RESPONSES TO INFORMATION REQUESTS

Question 1

Provide current (audited, if possible) financial statements, including income statement, balance sheet, and statement of cash flows.

Response

Please see Attachment A. Attachment A contains confidential and proprietary information not generally available to the public. Therefore, Attachment A is provided in a sealed envelope. In the competitive telecommunications market, disclosure of this information would cause harm to the Applicant's business operations. Applicant respectfully requests that the information contained in the sealed envelope be given confidential treatment and that it not be made part of the public record or otherwise disclosed to the public.

Question 2

Applicant should provide three year projected financial statements, including income statements, balance sheet, and cash flow statements.

Response

Please see Attachment B. Attachment B contains confidential and proprietary information not generally available to the public. Therefore, Attachment B is provided in a sealed envelope. In the competitive telecommunications market, disclosure of this information would cause harm to the Applicant's business operations. Applicant respectfully requests that the information contained in the sealed envelope be given confidential treatment and that it not be made part of the public record or otherwise disclosed to the public.

Question 3

Please submit a revised IntraLATA Toll Dialing Parity Plan with the following changes:

- a) In the "Contact Information" section, please clarify customer base since the Company does not have a customer base as of yet in Tennessee.
- b) Insert a statement such as "The Company intends to operate in all exchanges in all the LATAs in the State of Tennessee.
- c) The Company should not charge a \$5 fee for "NO PIC" if this is the intended meaning as listed in the second paragraph of the "Presubscription Information". If this is not the correct interpretation of the sentence please clarify and revise.
- d) Identify the LATA(s) with which it is proposed to operate.
- e) Include statements concerning nondiscriminatory access to telephone numbers, numbers, operator services, directory assistance, and directory listings.
- f) Include a statement that the carrier will comply with all rules of the FCC and the TRA.

Response

Please see Attachment C.

Question 4

Please provide notice of filing to all 18 ILECs.

Response

The eighteen (18) ILECs listed on the Authority's website were notified of CTSI's Petition via first class mail on February 7, 2000. Please see Attachment D.

ATTACHMENT C

IntraLATA Toll Dialing Parity Plan

CTSI, INC.
INTRALATA PRESUBSCRIPTION IMPLEMENTATION PLAN

INTRODUCTION

In accordance with certain Federal Communications Commission ("FCC") Orders,^{1/} CTSI, Inc. ("CTSI") submits its implementation plan for intraLATA presubscription (the "Plan"). CTSI will comply with all rules and regulations of the FCC and Tennessee Regulatory Authority in its provision of intraLATA presubscription to Tennessee consumers.

CTSI will give end user customers the opportunity to designate a carrier for their intraLATA toll call traffic in those market areas where CTSI is a facilities-based local exchange service provider. At this time, CTSI intends to expand into and operate in all exchanges in all LATAs in the State of Tennessee where local and toll competition is authorized.

POLICIES

CTSI will deploy two-PIC (Primary Interexchange Carrier) technology in its switches. This technology will enable the customer to presubscribe to the same or a different carrier for their intraLATA and/or interLATA service.

IntraLATA toll calls will automatically be directed to the designated carrier without the customer having to dial an access code.

CTSI will offer customers the ability to access all participating carriers by dialing the appropriate access code (10XXX/101XXX).

CTSI will provide its customers with nondiscriminatory access to telephone numbers, operator services, directory assistance and directory listings.

All eligible CTSI end user telephone line numbers will be presubscribed and must have a PIC (including "No PIC") associated with them.

^{1/} *In the Matter of Implementation of the Local Competition Provision of the Telecommunications Act of 1996*, CC Docket No. 96-98, *Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate InterLATA Toll Dialing Party or, in the Alternative, Various Other Relief*, Order (March 23, 1999); *In the Matters of the Local Competition Provisions of the Telecommunications Act of 1996*, Second Report and Order, CC Docket No. 96-98 (August 8, 1996).

CARRIER INFORMATION

Interexchange carriers will have the option of offering intraLATA service only or intraLATA and interLATA service.

Interexchange carriers will have the option of participating in all market areas or in a specific market area.

Interexchange carriers will be required to return a completed Non-Disclosure Agreement and Participation Agreement(s).

CTSI will not participate in billing disputes for intraLATA service between alternative competing interexchange carriers and their customers.

CTSI representatives will not initiate or accept three-way calls from alternative interexchange carriers to discuss presubscription.

Carriers wishing to participate will be requested to submit Access Service Requests/Translation Questionnaires to the Access Tandem owner and to CTSI.

CALL ELIGIBILITY/TOLL DIALING PLAN

A local service customer of CTSI will have calls routed according to the following plan:

If a CTSI Customer Dials:	The Call is Handled By/Routed To:
911	PSAP on originating line number
411/555-1212	CTSI Directory Assistance Operator
0-	CTSI Operator
0 + intraexchange number	IntraLATA Toll Provider
1 + 7 or 10 digits	IntraLATA Toll Provider
0 + 7 or 10 digits interexchange number	InterLATA Toll Provider
10XXX or 101XXXX + 0-	XXX/XXXX Carrier
10XXX or 101XXXX + 0 + 7 or 10 digits	XXX/XXXX Carrier
10XXX or 101XXXX + 7 or 10 digits	XXX/XXXX Carrier

If a CTSI customer originates a call to a carrier Operator by dialing 00-, the call will be routed to the PIC on that customer's line. If the customer originates a call to a carrier Operator by dialing an access code (e.g., 10XXX/101XXXX + 0-), the call will be routed to the XXX/XXXX carrier. In both cases, the carrier's switch is responsible for routing this call to the carrier's Operator or to an announcement.

NETWORK INFORMATION

All originating intraLATA traffic will initially be routed via the incumbent Local Exchange Carrier (LEC) Access Tandem(s). Following conversion, direct trunks between the CTSI switch and the interexchange carrier location(s) may be provisioned where traffic volumes warrant.

Interexchange carriers must have Feature Group D trunks in place (or ordered) between their point of presence and the incumbent LEC Access Tandem(s).

CTSI will route all originating intraLATA traffic to the designated carrier and will only block traffic at the request of the end user customer and/or in compliance with regulatory requirements. Calls that cannot be completed to a carrier will be routed to an announcement.

CUSTOMER CONTACT INFORMATION

CTSI customer contact representatives will process customer initiated PIC selections to CTSI or to an alternative intraLATA carrier. Carriers will have the option of allowing the CTSI representative to process PIC requests on their behalf.

CTSI customer contact representatives will not comment on a customer's choice of its intraLATA PIC when the customer contacts CTSI to change the PIC. CTSI customer contact representatives will respond to customer inquiries about intraLATA carriers in a competitively neutral fashion. If a customer requests information relating to carriers other than CTSI, a list of participating carriers will be read to that customer in random order by CTSI representatives.

If the intraLATA toll carrier selected by the customer permits CTSI to process orders on its behalf, CTSI will accept the PIC change request. If the customer selects an intraLATA toll carrier that does not allow CTSI to process PIC changes on its behalf, CTSI will provide the customer with the carrier's toll-free number (if provided by the carrier).

CTSI representatives will not discuss alternative carrier rates or services and will not provide customers with Carrier Identification Codes or access code dialing instructions.

PRESUBSCRIPTION INFORMATION

A \$5.00 PIC change charge will be incurred and billed to a CTSI customer for each eligible line where a PIC change is made. CTSI will offer its customers a 90-day grace period following Plan implementation during which the customers may change intraLATA carriers without a PIC change charge. Customers can make multiple PIC changes during these 90 days at no charge. After the 90-day period, CTSI will assess the \$5.00 PIC change charge. CTSI offers interexchange carriers the option of having the PIC charge billed to the carrier or to the customer.

New line customers, including customers adding lines, will have the opportunity to select a participating carrier, or they will be assigned a NO PIC designation. If a customer cannot decide upon an intraLATA carrier at the time of order, CTSI may extend a 30-day period following

placement of the customer's service order for the customer to select an intraLATA carrier without charge. Such customer will be assigned a NO PIC designation in the interim. After this 30-day period, CTSI will assess the \$5.00 PIC change charge as described above, if the customer chooses a presubscribed intraLATA carrier. Customers assigned a NO PIC designation as set forth in this paragraph will be required to dial an access code to reach an intraLATA carrier's network.

If a CTSI customer denies requesting a change in intraLATA toll providers as submitted by an intraLATA carrier, and the intraLATA carrier is unable to produce a Letter of Agency signed by the customer, the intraLATA carrier will be assessed a \$30.00 charge for the unauthorized PIC change and the PIC will be changed as per the customer's request, in addition to any other penalties authorized by law.

Alternative interexchange carriers may submit PIC changes to CTSI via a fax/paper interface.

CTSI will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC changes.

Carriers will be required to submit PIC changes using the Customer Account Record Exchange (CARE) format via paper medium. CTSI will provide carriers with PIC order confirmation and reject information using the CARE format. Specific details regarding CARE will be provided to participating carriers.

For customers who change their local service provider from the incumbent LEC to CTSI and retain their incumbent LEC telephone number(s), CTSI, as part of the CARE PIC process, will provide the selected intraLATA carrier with both the retained (incumbent LEC) telephone number and the CTSI telephone number.

ATTACHMENT D

Notice of Petition to ILECs Designated by the Authority

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7645
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174

VIA FIRST CLASS MAIL

TO: Carriers Operating in the State of Tennessee

FROM: Kathleen L. Greenan
Ronald W. Del Sesto, Jr.
Counsel for CTSI, Inc.

DATE: February 7, 2000

RE: Petition of CTSI, Inc., for a Certificate of Convenience and Necessity to Provide Facilities-Based and Resold, Local Exchange and Interexchange Telecommunications Services Throughout the State of Tennessee

NOTICE OF FILING

This is to notify you that the above-referenced telecommunications petition was filed with the Tennessee Regulatory Authority on November 18, 1999. A copy of the application may be obtained from the Authority.

CERTIFICATE OF SERVICE

I, Catherine L. Knowles, do hereby certify that a copy of the foregoing notice was served via first class U.S. Mail on the parties listed below on this 7th day of February 2000.

Ardmore Telephone Company, Inc.
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BellSouth
333 Commerce Street
Nashville, TN 37201-3300

Century Telephone of Adamsville
P.O. Box 405
116 N. Oak Street
Adamsville, TN 38310

Century Telephone of Claiborne
P.O. Box 100
507 Main Street
New Tazewell, TN 37825

Century Telephone of Ooltewah-
Collegedale, Inc.
P.O. Box 782
5616 Main Street
Ooltewah, TN 37363

Citizens Communications Company of
Tennessee
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

Citizens Communications Company of the
Volunteer State
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

Loretto Telephone Company, Inc.
P.O. Box 130
Loretto, TN 38469

Millington Telephone Company, Inc.
4880 Navy Road
Millington, TN 38053

Sprint-United
112 Sixth Street
Bristol, TN 37620

TDS Telecom-Concord Telephone
Exchange, Inc.
P.O. Box 22610
701 Concord Road
Knoxville, TN 37933-0610

TDS Telecom-Humphreys County
Telephone Company
P.O. Box 552
203 Long Street
New Johnsonville, TN 37134-0552

TDS Telecom-Tellico Telephone Company,
Inc.
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009

TDS Telecom-Tennessee Telephone
Company
P.O. Box 18139
Knoxville, TN 37928-2139

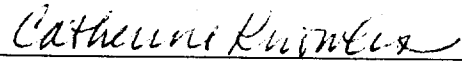
TEC-Crockett Telephone Company, Inc.
P.O. Box 7
Friendship, TN 38034

TEC-People's Telephone Company, Inc.
P.O. Box 310
Erin, TN 37061

TEC-West Tennessee Telephone Company,
Inc.
P.O. Box 10

244 E. Main Street
Bradford, TN 38316

United Telephone Company
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034



Catherine L. Knowles